

AGENDA



Thursday, May 3, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 20**

Subject: Authorize award and execution of a 24-month requirements supply contract with AUSTIN WHITE LIME COMPANY, Austin, TX, for the purchase of quicklime for the Austin Water Utility in an estimated amount not to exceed \$11,649,000, with two 12-month extension options in an estimated amount not to exceed \$5,824,500 per extension option, for a total estimated contract amount not to exceed \$23,298,000.

Amount and Source of Funding: Funding in the amount of \$2,912,250 is available in the Fiscal Year 2006-2007 Operating Budget of the Austin Water Utility. Funding for the remaining 18 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Steve Aden, Supervising Sr. Buyer, 974-2021.

Purchasing Language: Sole bid received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore no goals were established for this solicitation.

Boards and Commission Action: Recommended by the Water & Wastewater Commission.

This contract will provide quicklime to the Ullrich, Davis, and Green Water Treatment Plants. Quicklime is used in the treatment and softening of municipal water supplies. The quicklime will be delivered to and used at the Water Treatment Plants on an as needed basis.

The product offered complies with the American Water Works Association (AWWA) Standard B202-02, which is standard for quicklime used for the treatment of drinking water. It also meets National Sanitation Foundation (NSF) Standard 60 which governs the use of direct and indirect additives for the treatment of drinking water.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Sole bid. Austin White Lime is the current supplier of this product to the City and has been the only bidder to respond since 2004.
- b. Thirty-four notices were sent, including one MBE and two WBE's. Two solicitations were issued. One bid was received. One "No Bid" was received.
- c. The pricing offered represents an 11% increase from the last contract award July 2005. The increase can be attributed to the volatility in fuel costs. The current contractor is Austin White Lime Company.

APPROVAL JUSTIFICATION

- a. Sole bid received.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.

c. Advertised in the Austin American-Statesman and Internet.